

I. **Mayor Fred Armstrong called a special meeting of the meeting of the City Common Council to order at approximately 6:00 P.M.**

A. **Pledge** – The Mayor led the pledge.

B. **Roll Call:** Present: John Brown, Ann DeVore, George Dutro, Craig Hawes, Robert Kittle, Martha Myers, August Tindell.

Absent: None

II. **Special Meeting** – Mayor Armstrong explained that the purpose of this special meeting was to receive public questions and opinions regarding the council's consideration of implementing a Tax Incremental Finance program in Columbus. Every person present will be given opportunity to address the council. This is not the time for debate but input. Discussion of the pro's and cons of such a program will take place at the regularly scheduled meeting of the council on August 5, 2203.

At this time the Mayor began going through the audience row by row to allow those interested in commenting to approach the council.

Don Strietelmeier spoke on behalf of Bartholomew County Farm Bureau. Hank McGuire, President of Bartholomew County Farm Bureau could not attend the meeting.

- The community impact with which Farm Bureau is concerned includes the city of Columbus and the portion of the county that encompasses Bartholomew Consolidated School Corporation.
- New development uses resources of the whole community and should in turn benefit the whole community.
- TIF would add to an already complicated and confusing property tax structure at a time when new tax bills under new assessment rules are hitting households.
- Other community needs outside the TIF district strive for tax dollars such as the jail, city sewer and storm water systems, new BCSC buildings and renovations.
- Concerned to see fiscal projections if a TIF district were formed.
- Gave estimated impact on two theoretic TIF districts as examples (Fair Oaks Mall and Edinburgh Outlet Mall).

Claude Davis, President of Irwin Union Bank spoke in support of the use of TIF in Columbus.

- It has proven to be successful in other communities.
- It can serve as another economic Development tool to create jobs and opportunities for Columbus.
- Projects should be part of carefully developed plan
- Take action now to make it possible to use TIF as an economic Development tool.

Dennis Tibbetts expressed he hoped that the city would say what it had in mind for the use of a TIF district. He said that he was confused as to how a parking garage in downtown Columbus satisfies the "but-for" standard when using Menard's development as the source for funding the garage. How does the garage create incentive for a company to locate at the Menard's site?

- What is the case for the use of TIF and how does it meet the "but-for" standard? Mike Claytor stated that the "but-for" is not based on the funding source (i.e. Menards), but is based on what the commission determines the need to be (i.e. a parking garage) in creating business within the district. It is a stretch to make a "but-for" judgment.
- It is complicated. Most people don't understand property tax in general
- The creation of another commission adds to complications.

Tracy Sousa, the Executive Director of Corporate Social Responsibility for Cummins Inc. read a statement on behalf of Cummins, Inc.

- A critical tool for Columbus to use for economic development.
- It has a proven track record elsewhere.
- Columbus' traditional sources of funding projects, particularly corporate contributions, are changing.
- Cummins large investment in the community, its plants, offices and over 5000 employees are reasons for Cummins support of TIF.

Stephenie Pierret spoke in favor of using TIF.

- It is good for community as a whole, not just the district.
- There is an open public hearing process in the TIF procedures.
- Need to act now in order to put a district and plan in place prior to March 1 as required for taxing purposes.
- Not obligated to use it, but if now move forward may lose potential revenue base.

Sherry Stark spoke as Columbus citizen who has a history of involvement on community development and economic development.

- Thanked the council for providing the open dialogue on this issue.
- Support the use of TIF
- Believes that the people of Columbus that would be selected to be on this commission will use the funds wisely as is evident previous Columbus projects.

David Johnson-Bey spoke in support of TIF.

- It will not make everyone happy
- Asked whether districts had to be connected or can there multiple districts. There can be many districts or only one as determined by the Commission.
- There are several projects in the community that could use TIF funds.
- Encouraged the Council to move forward.

Sue Breeding is involved in the organizing efforts of "Downtown Columbus Alive." While not there to speak on their behalf, a show of hands at a previous meeting showed support for TIF.

- It would benefit the community.
- These taxes will go somewhere whether there be a TIF district or not.
- In TIF the specific direction of those funds can be determined.

David Main spoke on behalf of Arvin-Meritor Corporation.

- Columbus is a progressive community as demonstrated in Info-tech Park, Learning Center and Economic Development efforts.
- Only major city in Indiana to not use TIF.
- Places Columbus at a disadvantage in competing with other community for economic development.
- Encourage the council to use TIF.

Jack Hess spoke on behalf of the Columbus Enterprise Development Center Board.

- Noted a study by Joyce Y Man and Mark S. Rosentraub that stated property values increased with TIF districts by 11%.
- It is complex, but useful.

Jim Dietz owner of Smith's Row restaurant spoke in favor of TIF.

- A marketing and economic development tool that could be useful.
- May have already lost \$millions of potential revenue by not having used TIF.
- It has been an asset other communities.
- Alternative resource to pay for infrastructure.
- Not needed in Columbus in the past, but private sector sources no longer as available as in the past.

Marvin Johnson of Toyota is the President of Columbus Economic Development Board and spoke on behalf of the board..

- Economic Development Board endorses the use of TIF.
- Has a proven history in over 33 states and Indiana since 1975.
- Advantages outweigh the disadvantages.

Herbert Renfro is owner of the Commons Mall and he supports TIF.

- Recognizes several potential good uses downtown.
- Has had several positive experiences in other communities including West Lafayette.
- Redevelopment Commissions tend to respond to the needs of the community.
- Waterfront development possible use.

Vaughn Silva is the Assistant Superintendent for Finance of BCSC but is not speaking on their behalf.

- Speaking as citizen of Columbus.
- Personally support economic development efforts.
- Impact would be on the schools systems Capital Project Fund as TIF would divert money away from this fund. Objections would depend on how much is diverted (ie. \$50,000 can live with, but \$500,00 would not be manageable.
- Willing to participate in the fiscal impact studies necessary for projects.

Hutch Schumaker

- Don't understand how one area of the community can benefit without the whole community benefiting.
- Have spoken with other communities and found very little negative about TIF. Haven't found any down sides to TIF.
- Confident that the mayor and the council will make appropriate appointments to the commission that have the best interest of the community at hand.
- Ask that the council give it serious consideration.

Susan Whittaker a downtown business owner

- Spoke in support of the use of TIF
- Don't lose the opportunity to move on it now.

Bob Lewis is a downtown business person with Edward B Jones agency.

- Neither for or against at this time.
- If going to use TIF use it the right way
- Presented a report from a Presidents Initiative Task Force on Economic Development.
Critical as to who is on the commission
Important there be clear accountability
- Public must have full access to the process. Bruce Donaldson reviewed the Indiana requirements for public hearings and the multiple reviews by various bodies.

Mayor Armstrong showed a power point presentation regarding the success of Dyer, Indiana use of TIF. He also had handouts on several other communities using TIF.

Final Questions included:

- Impact on the city’s bonding capacity? TIF has its own bonding capacity separate from the city.
- What happens to Property Tax Replacement credit? PTRC is non-debt related funding and has no impact.
- CAGIT fund distributions? Not taken away and not added in traditional TIF as the district has no CAGIT allocation.
- Lou Marr asked about the cost to set up and administrate TIF. Most cost is rolled into the cost of issuing debt. Need a plan and fiscal impact statement for a project that would cost between \$5,000 and \$15,000. Bond issue cost is on average 3% of the bond issue.

Next Steps: Council Meeting on August 5, 2003 to have general discussion about TIF.

Adjourn - Martha Myers moved to adjourn. Ann DeVore seconded. The motion passed with 7 ayes and 0 nays. The meeting adjourned at approximately 7:05 P.M.

ATTEST:

Presiding Officer of the Common Council

Columbus City Clerk Treasurer